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COMMISSIONERS

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BEFORE THE ARIZONA CORPORATION COMMISSION
Arizona Comporation Arizona Corporation Commission DOCKETED

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DOCKETED BY

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GARY PIERCE - Chairman

BOB STUMP

SANDRA D. KENNEDY PAUL NEWMAN

BRENDA BURNS

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27 28 IN THE MATTER OF THE APPLICATION OF A. PETERSEN WATER COMPANY FOR APPROVAL OF AN INCREASE IN RATES.

DOCKET NO. W-02678A-10-0304

PROCEDURAL ORDER

BY THE COMMISSION:

On July 21, 2010, A. Petersen Water Company ("APWC") filed with the Arizona Corporation Commission ("Commission") an application for a permanent rate increase, using a test year ("TY") ending December 31, 2009. APWC stated in the application that its current rates, which became effective in 2007, are insufficient to cover operating expenses and that operations are being subsidized by one of APWC's owners, Mark Grapp. APWC reported that for the TY it had total operating revenues of \$18,632 and an operating loss of \$3,305. In its application, APWC requests an increase in revenues of \$12,001, or 64.41 percent, over TY revenues. APWC stated that it mailed its customers notice of the application, including the rates requested, on July 19, 2010. APWC requests an increase in monthly minimum charges, an increase in the break-over points between commodity rate tiers, an increase in commodity rates, and an increase in several miscellaneous service charges. APWC also requests elimination of the service line and meter installation charge for 5/8" x 3/4" meters.

On August 19, 2010, the Commission's Utilities Division ("Staff") issued a Letter of Deficiency, stating that APWC's rate application had not met the sufficiency requirements outlined in Arizona Administrative Code ("A.A.C.") R14-2-103.

On August 26, 2010, APWC filed a response to Staff's Letter of Deficiency, including a revised bill count, a copy of TY deposit reports, and a revised rate schedule application page.

On November 5, 2010, Staff issued a Letter of Sufficiency, stating that APWC's application had met the sufficiency requirements outlined in A.A.C. R14-2-103 and classifying APWC as a Class

E water system. The letter also provided projected dates for the Staff Report and the ultimate Commission order in this matter. Staff corrected those projected dates in a November 9, 2010, letter revising the Letter of Sufficiency.

On December 28, 2010, Staff filed a Request for Extension of Time, stating that the Staff Report in this matter is due on January 4, 2011, but that Staff would not have sufficient time to prepare the Staff Report by that date, due to time constraints introduced by the end of year Commission Open Meetings and unforeseen circumstances involving the assigned Staff analyst. Staff requests that the deadline for the Staff Report be extended to January 18, 2011.

APWC has not filed a response to Staff's Request for Extension of Time.

In light of Staff's inability to complete the Staff Report by January 4, 2011, due both to the demands of the December Open Meetings and unforeseen events concerning the Staff analyst, and APWC's apparent acquiescence to the requested extension of time, it is reasonable and appropriate to extend the deadline for the Staff Report to January 18, 2011, and correspondingly to extend the Commission's timeframe for issuing its final order.

IT IS THEREFORE ORDERED that the due date for the Staff Report in this matter is hereby extended to January 18, 2011.

IT IS FURTHER ORDERED that the timeframe for the Commission's final order in this matter is hereby extended by two weeks.

IT IS FURTHER ORDERED that the Administrative Law Judge may rescind, alter, amend, or waive any portion of this Procedural Order either by subsequent Procedural Order or by ruling at hearing.

DATED this 4kd day of January, 2011.

ADMINISTRATIVE LAW JUDGE

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1	Copies of the foregoing mailed/delivered this 7½ day of January, 2011, to:
2	Thomas Grapp, Vice President
3	A. Petersen Water Company, Inc. P.O. Box 1270
4	Show Low, AZ 85902
5	Janice Alward, Chief Counsel Legal Division
6	ARIZONA CORPORATION COMMISSION 1200 West Washington Street
7	Phoenix, AZ 85007
8	Steven M. Olea, Director Utilities Division
9	ARIZONA CORPORATION COMMISSION 1200 West Washington Street Phoenix, AZ 85007
10	I hochix, AZ 63007
11	By: Druges
12	Debra Brøyles Secretary to Sarah N. Harpring
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